

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6674

BILL NUMBER: HB 1948

DATE PREPARED: Jan 10, 2001

BILL AMENDED:

SUBJECT: Gross income tax exemptions.

FISCAL ANALYST: Diane Powers

PHONE NUMBER: 232-9853

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: Pending

Summary of Legislation: Provides that amounts received from the sale, lease, or other transfer by or to an electric utility or a general district REMC of an interest in an electric generating facility that at the time of the sale, lease, or transfer is subject, at least in part, to certain "safe harbor" sale-leaseback provisions under the Internal Revenue Code is exempt from gross income tax to the extent of any mortgage, security interest, or similar encumbrance on the interest in the facility. Provides an exemption from the gross income tax for amounts received under a "qualified investment" that is acquired for the purpose of enabling a lessee to pay the basic rent and exercise price of a purchase option under the lease of an interest in an electric generating facility that, at least in part, is subject to "safe harbor" sale-leaseback provisions of the Internal Revenue Code.

Effective Date: January 1, 2001 (retroactive).

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources: